

HELP FOR FARMERS, AGRICULTURE BUSINESSES, AND THEIR EMPLOYEES

Assistance to Agricultural Producers from U.S. Department of Agriculture (USDA)

The Coronavirus Aid, Relief, and Economic Security (CARES) Act provides \$9.5 billion to the USDA to support agricultural producers impacted by the coronavirus, including:

- producers of specialty crops,
- producers that supply local food systems, including farmers markets, restaurants, and schools, and
- livestock producers, including dairy producers.

This is a new program, so the USDA has not yet established details such as how to apply or how much funding producers can get from the program. When available, more information will be posted at <https://www.usda.gov/coronavirus>.

Assistance to Agricultural Producers from the Small Business Administration (SBA)

IMPORTANT UPDATE: On April 24, 2020, the *Paycheck Protection Program and Health Care Enhancement Act* was signed into law, providing an additional \$50 billion for EIDL loans and an additional \$10 billion for emergency advances. Farmers and ranchers that qualify as small businesses under SBA regulations were already eligible for PPP loans, but this new law also expanded eligibility for the EIDL program to include agriculture businesses with less than 500 employees. The funding could be made available very soon, at which point the SBA will begin accepting applications again. Please check the SBA's [website](#) for updates.

Caution

Companies may not receive payments from both of these USDA and SBA programs for the same COVID-19 impact. Companies should determine which program is better for their needs.

Unemployment Insurance

In addition, farm and ranch employees may be eligible for the expanded Unemployment Insurance coverage created under the CARES Act. More information on expanded Unemployment Insurance is available on Senator Schatz's [website](#).

Income Tax: Active Farm Losses

- The CARES Act also turns off active farming loss rules for tax years beginning after December 31, 2017, and before December 31, 2020.
- An active business loss is defined as deductions in excess of income and gain attributable to a trade or business in which the taxpayer actively participates plus \$250,000 (\$500,000 for joint filers) (*i.e.*, active business losses in excess of \$250,000 (\$500,000 for joint filers) were disallowed by the 2017 Tax Law and treated as NOL carryforwards in the following tax year).
- For more information, please check the IRS's website at <https://www.irs.gov/coronavirus>.

Training and Support for Migrant Farmworkers

The bill includes \$360 million for the Department of Labor to invest in programs that provide training and supportive services for dislocated workers, seniors, migrant farmworkers, and homeless veterans.